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STATE OF MICHIGAN



JOHN ENGLER, GOVERNOR

DEPARTMENT OF TRANSPORTATION

MURRAY D. VAN WAGONER (TRANSPORTATION) BUILDING  
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GREGORY J. ROSINE, DIRECTOR

April 5, 2001

The Honorable Philip E. Hoffman, Chair  
Senate Appropriations Subcommittee  
on Transportation  
Michigan State Senate  
P.O. Box 30036  
Lansing, Michigan 48909-7536

The Honorable Scott Shackleton, Chair  
House Appropriations Subcommittee  
on Transportation  
Michigan House of Representatives  
P.O. Box 30014  
Lansing, Michigan 48909-7514

Dear Senator Hoffman and Representative Shackleton:

Public Act 271 Section 309 states:

The department and local road agencies that receive appropriations under this act shall pursue compliance with contract specifications for construction and maintenance of state highways and local roads and streets. Work shall not be accepted and paid for until it complies with contract requirements. Contractors with unsatisfactory performance ratings shall be restricted from future bidding through the prequalification process established by the department or a local road agency. The department, county road commissions, and cities and villages shall report to the house of representatives and senate appropriations committees on transportation on their respective activities under this section.

Through the department's construction and maintenance contract administration process, fiscal year 1999-2000 contracts scheduled for completion have been successfully completed. All work was inspected and accepted as being in reasonable conformance with contract plans and specifications.

Meetings were held with contractors having a significant number of unsatisfactory performance ratings to explore the causes and remedies. This resulted in a reduction in prequalification for specific work categories when appropriate as a probationary measure, pending improvement in performance.

Sincerely,

A handwritten signature in black ink, appearing to read "Gregory J. Rosine".

Gregory J. Rosine  
Director

cc Gary S. Olson, Director  
Senate Fiscal Agency  
Mitchell Bean, Director  
House Fiscal Agency



BOHTS:C/T:PAL:kab

bcc: C. T. Maki  
G. D. Taylor  
J. D. Culp  
D. Novak  
W. Niles  
E. Timpf